

Economic Recovery Financing Committee

October 12, 2009
10:00 am, Room 113
State Capitol

PRESENT:

Ms. Andrea Lynn Hoch, Legal Affairs Secretary, for the Governor of the State of California
Mr. Francisco Lujano, Director Securities Management for the State Treasurer's Office
Mr. Rick Chivaro, Deputy State Controller and Chief Counsel for the State Controller's Office
Mr. Tom Sheehy, Chief Deputy Director for the Department of Finance (Chairperson)
Ms. Karen Fish, Deputy Secretary, for the Business, Transportation, and Housing Agency
Mr. Scott Harvey, Chief Deputy Director for the Department of General Services

ABSENT:

Mr. Randy Iwasaki, Chief Deputy Director for the Department of Transportation.

STAFF PRESENT:

Karen Finn, Committee Secretary
Brian Dewey, Assistant Secretary
Greg Rogers, Finance Staff
Andrew Ruppenstein, Finance Staff

CALL TO ORDER AND ROLL CALL:

Mr. Tom Sheehy, Chairperson, called the meeting to order at 10:00 a.m. Mr. Brian Dewey, Assistant Secretary, called the roll. A quorum was established.

Agenda Item #3

Mr. Dewey stated that the first item of business was Agenda Item #3 – Confirmation that members have received the Bagley-Keene Open Meeting Act (Information Item).

Agenda Item #4

Mr. Dewey noted Agenda item #4 was to consider the Minutes from the January 28, 2008 meeting.

Mr. Sheehy asked if there were any questions or comments from the Committee or public on this item. Hearing none, Mr. Dewey called a roll to approve the minutes:

AYES

Ms. Andrea Lynn Hoch, Legal Affairs Secretary, for the Governor of the State of California
Mr. Francisco Lujano, Director Securities Management, State Treasurer's Office
Mr. Rick Chivaro, Deputy State Controller and Chief Counsel, State Controller's Office
Mr. Tom Sheehy, Chief Deputy Director, Department of Finance (Chairperson)
Ms. Karen Fish, Deputy Secretary, Business, Transportation, and Housing Agency

NOS

None

ABSTAIN

Mr. Scott Harvey, Chief Deputy Director, Department of General Services

Agenda Item #3 passed with a 5-0 vote.

Agenda Item #5

Mr. Dewey stated that the next item for consideration was Agenda Item #5 – Consideration of Resolution 2009-01.

Mr. Dewey gave a brief history of the financing committee's action leading to today's meeting. He then stated that Resolution 2009-01, if adopted by the committee would:

Authorize up to \$4,000,000,000 in refunding bonds to achieve a more favorable structure of the bonds by reducing debt service requirements below projected revenues with additional coverage of 1.3 times debt service, to a level that would withstand additional revenue declines.

To achieve this bond issuance, the resolution also would:

- Approve the forms of supplemental indentures for both fixed and variable rate bonds.
- Approve the form of a Bond Purchase Agreement.
- Approve the form of a Preliminary Official Statement.
- Approve the form of Continuing Disclosure Statements.
- Approve the execution, delivery, and any other agreements related to the Series 2009 Bonds and ancillary agreements.

Staff would work with the State Treasurer's Office, Attorney General's Office, and members of the Financing Team to ensure the preparation of these documents and our staff recommends adoption of Resolution 2009-01.

Mr. Sheehy then asked if there was any public comment on this item. Hearing none, Mr. Sheehy called for a roll of approval on Agenda Item #5:

AYE

Ms. Andrea Lynn Hoch, Legal Affairs Secretary, for the Governor of the State of California
Mr. Francisco Lujano, Director Securities Management, State Treasurer's Office
Mr. Rick Chivaro, Deputy State Controller and Chief Counsel, State Controller's Office
Mr. Tom Sheehy, Chief Deputy Director, Department of Finance (Chairperson)
Ms. Karen Fish, Deputy Secretary, Business, Transportation, and Housing Agency
Mr. Scott Harvey, Chief Deputy Director, Department of General Services

NO

None

ABSTAIN

None

Agenda Item #5 passed with a 6-0 vote.

Mr. Sheehy asked for any request by the public to address anything not on the agenda. There were no replies. Mr. Sheehy thanked all parties involved for their attendance.

Having no further business, the meeting was adjourned at 10:12 a.m.